

POLICE FIRE CITIZEN'S TASK FORCE

June 17, 2009 – 6:00 p.m.

4th Floor Conference Room, Busch Municipal Building

PRESENT: Jerry Fenstermaker – Chairman, Jerry Harmison – Vice Chairman, Lorenzo Baldwin, Mary Beth Daniels, Gordon Elliott, Carl Herd, Ken Homan, Bob Horton, James Jeffries, Bob Jones, Peggy Kubicek, David Trippe, Craig Wagoner, Lloyd Young

CITY COUNCIL MEMBERS: Nick Ibarra

CITY STAFF LIAISONS: Greg Burris – City Manager, Collin Quigley – Assistant City Manager, Dan Wichmer - City Attorney, Chief Lynn Rowe – Police, Sharon Smith - City Manager's Office

ABSENT: Danny Hyde, Charles Munsey

Mr. Jerry Fenstermaker called meeting to order. Minutes from June 10 were reviewed by Committee. Mr. Bob Horton made a motion to accept minutes as is. Peggy Kubicek seconded. Minutes approved.

Task Force members were dismissed to meet with their Sub-Committees. The Task Force returned at 7:00 p.m. to meet as a whole for the remainder of the meeting.

Mr. Bob Horton stated Team Two has narrowed down the list to three issues, with a fourth issue pending until further information is provided.

Team Two first issue: Restructuring of Board – Mr. Horton reviewed benchmark cities comparison on their pension board setup, as well as assets, unfunded liability, etc. (Spreadsheet attached). Mary Beth Daniels provided an overview of interviews she had with Police Chief Lynn Rowe, Fire Chief Barry Rowell, Assistant Fire Chief David Hall and Fred Ellison, citizen advocate, for their thoughts on how the pension board should be structured. She also interviewed Evelyn Honea, Chairman for the Pension Board, who has since abstained from participating in the Pension Board meetings and voting on any matters.

Team Two second issue: How should the police/fire pension plan design be restructured in response to the current crisis? Mr. James Jeffries reviewed the Team's two alternatives and the pros and cons for each alternative.

Team Two third issue: Feasibility of Pension Obligation Bonds. Mr. David Trippe reviewed the Team's two alternatives and the pros and cons for each alternative.

Mr. Craig Wagoner provided Team Three's proposed solution for pension board structure. He stated they also have a second issue he wishes to bring to the Task Force's attention tonight - duties of the Board. They feel the Board should have the decision to hire administrative help, or hire a third-party administration that specializes in running pension plans if they feel it is necessary.

The Task Force discussed as a group issues of conflict of interest. Dan Wichmer provided a detailed legal opinion on the conflict of interest and fiduciary duties of Pension Board Trustees issue, as well as the legal duties to the City of Springfield and the Pension Board. Mr. Fenstermaker stated the two teams who have the fiduciary duties as an issue will need to come together to develop a better process of creating a Board of Trustees list with what the Task Force feels should be the fiduciary duties of these members.

Meeting adjourned at 8:06 p.m.